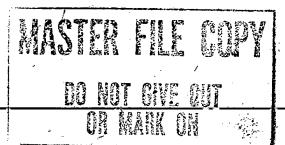




Directorate of Intelligence

Secret
--------

25X1



# Egyptian Democracy: Liberalization and Its Limits

25X1

A Research Paper

	MA)K	MBER_	NESM	-000	2788		
T M	MOK						
PAG	e <b>Nu</b> mbi	rs		16			
TOTA	AL NUM	ER OF	COPIES	4	75		
DISS	SEM DAT RA COPI	E 88	8052	B		<del></del>	
•			59-3	35		ja.	
RECO	ORD CE	TER	586 - 4	<del>13</del> 5	٠		
JOB	NUMBE	400	5-68	8-88	<b>₽</b> .	_	

## Secret

NESA 88-10029 May 1988

Copy 358



25X1

# Egyptian Democracy: Liberalization and Its Limits

25X1

A Research Paper

This paper was prepared by

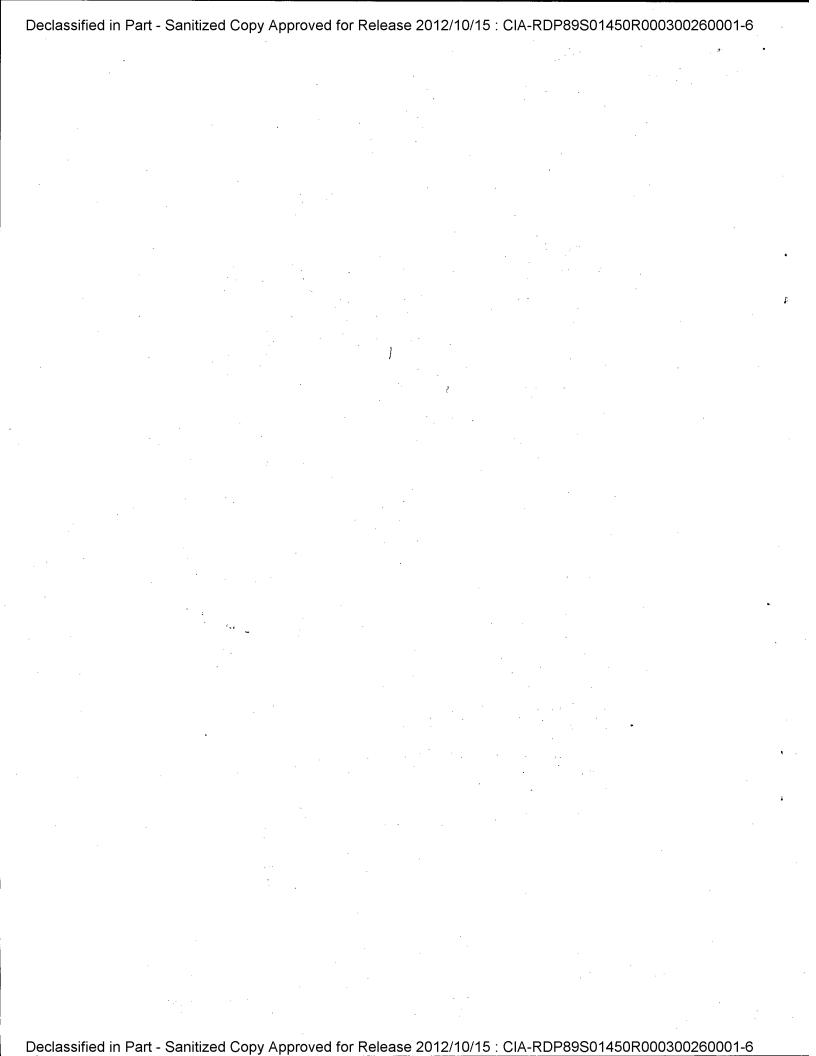
Office of Near Eastern
and South Asian Analysis. Comments and queries
are welcome and may be directed to the Chief, ArabIsraeli Division, NESA,

25X1 25X1

25X1 25X1

Reverse Blank

Secret NESA 88-10029 May 1988



•		25X
	Egyptian Democracy: Liberalization and Its Limits	25)
Summary Information available as of 1 April 1988 was used in this report.	Political liberalization is a stated priority of the Egyptian Government, and even President Mubarak's critics admit that the political climate in Egypt is freer today than at any time since the 1952 revolution. In the past six years, Mubarak gradually has introduced political freedoms that are largely alien to Egypt's tradition of authoritarian rule:	
·	• The judiciary enjoys unprecedented independence, and its rulings are taken seriously from the President on down. Public respect for the courts appears to be increasing. The courts have been willing to assert their authority, even when it challenges the executive.	
,	• The People's Assembly boasts a larger opposition presence than ever before—including about 36 members of the officially outlawed Muslim Brotherhood. Opposition elements have become increasingly vocal in challenging the government on critical issues, with Mubarak's tacit approval.	
	• The press enjoys significant freedom. Opposition papers routinely publish scathing attacks on the government with apparent impunity, although direct criticism of the President is officially discouraged and undertaken cautiously.	25X
	Despite Mubarak's commitment to political reform, he retains multiple safeguards in the system both to protect his executive power from opposition challenge and to preserve his ability to maintain public order. The ruling National Democratic Party's (NDP) overwhelming majority in the People's Assembly—	25)
	ensures the success of government proposals. The emergency law—promulgated after Anwar Sadat's assassination in 1981 and extended repeatedly since then—helps Mubarak control Islamic and leftist extremists by allowing him to suspend certain political liberties and supersede	25X
	Reconciling the need to ensure stability with his commitment to political liberalization is Mubarak's most daunting challenge. Egypt is coming under increasingly severe pressure to implement potentially destabilizing economic reforms, and inflation has become a hot political issue. Official concerns about the economy are being intensified by fears of increased opposition activity. Low voter turnout for elections and political apathy	25X

iii

Secret NESA 88-10029 May 1988

Declassified in	Part - Sanitized Copy	Approved for Release 2012/10/15 : CIA-RDP89S01450R000300260001-6	
	Secret	•	· 25X1
l			
•			
	· .	among the broad mass of Egyptians have left the political system vulnerable to ideologically committed fringe groups such as Islamic fundamentalists—a trend that will probably reinforce government instincts to retain controls over election results and opposition activity.	25X1
		Mubarak's flexible, carrot-and-stick approach toward dissidents is proving moderately successful. He does not hesitate to use his powers under the emergency law to forcefully suppress violence-prone political and fundamentalist extremists. However, he appears to have succeeded in co-opting more moderate opposition elements through such tactics as allowing the outlawed Muslim Brotherhood to participate in the most recent Assembly elections and permitting some forms of Islamic dress and behavior as personal expressions of piety.	۰ 25X1
		personal expressions of piety.	23/1
		Unless threats to the regime force him to back down, Mubarak will probably continue his incremental efforts to expand political participation as a safety valve for popular discontent. Recent national elections have focused his attention on the benefits of cultivating and exploiting the constituent-based appeal of local political talent. New legislation under consideration might increase the authority of local government in such critical areas as taxation. The NDP shows signs of evolving into a more decentralized, grassroots organization in the Western mold that can transform popular desires into national policy. A sharp outbreak of unrest over bread-and-butter issues, however—even if quickly contained—almost certainly would convince Mubarak to delay political reform.	25 <b>X</b> 1
		Greater political liberalization in Egypt is likely to prove a mixed blessing for the United States. On the one hand, it will support US interests to the extent it reinforces stability and Mubarak's political confidence. On the other hand, Cairo probably will try to pry increased aid from Washington as the price of progress toward democracy. Close identification with several unpopular issues in Egypt—such as economic reform and relations with Israel—also makes Washington vulnerable to strident press criticism, which Cairo would permit to promote freedom of expression.	25X1

iv

	Declassified in Part	- Sanitized Copy	Approved for Release	e 2012/10/15 :	CIA-RDP89S01450R	000300260001-6
--	----------------------	------------------	----------------------	----------------	------------------	----------------

Secret	
	٦.

25X1

# **Contents**

	Page
Summary	iii
Mubarak's "Safety Valve" Democracy	1
Strengthened Judiciary	1
Increased Opposition in the People's Assembly	2
Greater Press Freedom	4
Retaining Control: Limits to Liberalization	5
Egypt's Participatory Institutions	5
The National Democratic Party (NDP)	6
Internal Security Controls	8
Stability and Democracy: Tough Choices	10
Economic and Social Tensions	10
Risks of Repression	11
Dangers of Voter Apathy	12
Benefits of Additional Reforms	13
Outlook	13
Implications for the United States	14

## **Appendix**

Major Newspapers and Periodicals	15

Reverse Blank

v



Egyptian Democracy: Liberalization and Its Limits

25X1

### Mubarak's "Safety Valve" Democracy

Centralized authority based on strong personal leadership has characterized much of Egypt's history and, true to this tradition, a powerful presidency dominates the political system. The Constitution vests almost all executive authority in the President, who has significant appointive powers and retains ultimate control over major decisions. In addition to his constitutional powers, the President derives authority from his position as head of the National Democratic Party (NDP), which enjoys a substantial majority in the People's Assembly and almost an absolute majority in other participatory institutions. Mubarak also has the support of the Egyptian military, the real power behind the regime.

Nevertheless, since coming to power in 1981, Mubarak has been committed to replacing the traditional ruler-ruled model of government with stronger, more participatory institutions and modified checks and balances, and his substantial executive power has enabled him to achieve some success. Although reluctant to permit unlimited democratic activity, he wasted little time in extending an olive branch to the opposition after assuming control and promised in an interview in October 1981 that, under his government, democracy would "continue and grow stronger." We believe Mubarak views democratization as a means of creating a political "safety valve"—institutions to allow the expression and constructive channeling of popular grievances. In our view, Mubarak sees his predecessor's assassination at the hands of Islamic extremists in 1981 as an illustration of the cost of ruling Egypt with a heavy hand. Today, he can point to several accomplishments in his cautious campaign to liberalize Egypt's political system.

Strengthened Judiciary. Under Mubarak the judiciary has enjoyed an unprecedented degree of independence. Although the Constitution affirms the independence of the judiciary from the executive and legislative branches of government, by stating that "no authority may intervene in the cases or in justice



Figure 1. President Hosni Mubarak talking to National Democratic Party youth.

affairs," the Nasser and Sadat regimes created judicial machinery to circumvent the courts in politically oriented matters, according to a contract study of the Egyptian judicial system. In contrast, Mubarak has taken several measures to augment the independence of the judicial system, including:

Reinstatement of the High Judicial Council. Dissolved by Nasser, this seven-man group of senior magistrates is empowered to override decisions by the Ministry of Justice on judicial appointments, promotions, transfers, and other personnel actions.

25X1

25**X**1

25X1

1

#### The President's Constitutional Powers

Under the Constitution, the President:

- Establishes the policy of the state (foreign and domestic) and supervises its implementation.
- May appoint one or more vice presidents, define their jurisdiction, and relieve them of their posts.
- Appoints the Prime Minister, his deputies, the ministers, their deputies, civil and military officials, and diplomatic representatives and can dismiss them.
- · Proposes laws.
- Issues regulations necessary for the implementation of laws.
- May object to laws approved by the People's Assembly.
- May issue laws by decree if the People's Assembly is dissolved or in recess.
- May dissolve the Assembly (put to a referendum of the people).
- May proclaim a state of emergency.
- Concludes treaties.
- Is Supreme Commander of the Armed Forces—can declare war.
- Appoints 10 members of the People's Assembly and one-third of the members of the Shura Council.
- May call a referendum of the people on important matters.
- Extension of judicial immunity to officials who investigate and prosecute police charges against suspects. This immunity protects them from police pressures during investigations.
- Separation of the Council of State—an administrative court system having jurisdiction over the state and its government agencies—from the Ministry of Justice. Council members are effectively protected from arbitrary dismissal, and the manner of appointing the Council president is specified to prevent political abuse of the appointment power.

Public respect for the judiciary appears to be increasing as a result of these and other reforms. Judicial rulings are taken seriously by the President on down,

in contrast to earlier eras when the national leadership routinely ignored them. In addition, the courts have become increasingly willing to assert their authority, even when it challenges the executive—a trend that we believe will strengthen the concept of separation of powers in Egypt:

- Mubarak's call for an early People's Assembly election in February 1987 was intended to preempt an expected ruling from the Supreme Constitutional Court that would render the election law invalid. The anticipated court action prompted the drafting of a law that reformed several electoral procedures, including limited restoration of the right of independents to stand for election and the reinstitution of byelections to fill vacancies.
- The courts lifted the ban imposed by Sadat on political activity by both conservative Wafdist and leftist Nasserite politicians. In the case of the New Wafd Party, according to the contract study, the government refused to certify that the party was eligible to participate in the 1983 presidential election. The party went to court and obtained a decision upholding its eligibility. The government did not contest the decision.

When the government has objected to judicial decisions as politically sensitive, Cairo has used legal means to delay them. When the State Council Administrative Court ruled against the Ministry of Interior's calculation of the final results of the April 1987 People's Assembly election, for example, the government blocked implementation of the decision by initiating appeals at different levels of the judicial system.

Increased Opposition in the People's Assembly. Mubarak has broadened political participation by allowing a greater and more diverse opposition presence in the People's Assembly—the most important parliamentary body in Egypt. He also has encouraged opposition participation in debates on national issues—in part, we believe, to co-opt the opposition into sharing the burdens of decisionmaking. The April

25X1

25X1

25X1

25X1

Secret

2

#### Egypt: People's Assembly Election Results, 1979-87

	1979		1984		1987		
	Elected Seats	Percent in Assembly	Elected Seats	Percent in Assembly	Elected Seats	Percent in Assembly	
Ruling Party						·	
National Democratic Party	330	88.7	390	87.1	308	68.8	
Opposition						:	
Socialist Labor Party	29	7.7	0	0	56 a 12.5		
Liberal Party	3	0.9	0	0	30 "	12.5	
National Progressive Unionist Grouping	0	0	0	0	0	0	
Independents	10	2.7	0	0	40 (NDP) 8 (Opposition)	8.9 (NDP) 1.8 (Opposition)	
New Wafd Party	0	0	58	12.9	36	8.0	
Total	372	100.0	448	100.0	448	100.0	

<sup>&</sup>lt;sup>a</sup> Labor-Liberal Alliance: includes approximately 36 Muslim Brotherhood members.

1987 election produced an Assembly that—with almost 100 of its 458 members in the opposition—is the most representative in Egypt's recent history. In addition, knowledgeable observers agree that the election was the fairest since the revolution.

We believe the increased presence of Islamic fundamentalist Muslim Brotherhood members (about 36) in the Assembly marks the greatest departure from past practice. when Mubarak decided in mid-February 1987 to dissolve the People's Assembly and call for elections under new laws, he

decided to let the technically illegal
Muslim Brotherhood enter the election in a coalition
with the labor and liberal parties. According to the
US Embassy in Cairo, Mubarak believes that permitting the Brotherhood to operate openly will both give
the public an opportunity to hear—and reject—its
agenda and avoid driving the group underground
where its activities would be difficult to monitor.

Mubarak's "safety valve" democracy appears to be working in the People's Assembly, despite the reelection of Speaker Dr. Rif'at Mahgoub—a wily legislator known for his contemptuous treatment of opposition members. Since the last election, according to US Embassy accounts, the Assembly has seen lively debate as the opposition has challenged the government on controversial issues:

- In November 1987 the opposition exercised its rights in calling Minister of Interior Zaki Badr to account for the government's alleged use of torture against detainees.
- The opposition challenged the fitness of President Mubarak's nominee to the post of Socialist Prosecutor—one of the few executive appointments that requires parliamentary review.
- Ministers have been subjected to harsh questioning during recent Assembly debates of economic issues.
   According to the Embassy, the opposition has forced the government to deal with open criticism but does

25X1

25**X**1

25**X**1

25X1 25X1

25**X**1

25X1





Figure 3. People's Assembly Speaker Rif'at Mahgoub.

25**X**1

Figure 2. Mubarak at People's Assembly

25X1

25X1

25X1

not pose a threat to the executive's control of policy. The opposition has played by the rules, and the ruling party's majority has won the government these small but noisy battles.

Greater Press Freedom. We believe that President Mubarak's political liberalization has allowed the emergence of a press establishment that is one of the freest and most open in the Arab world. The government-sponsored national press, formerly an instrument of the state, has for the most part been given the responsibility to regulate itself. The opposition media is allowed to criticize the government and its policies. The Egyptian press has gained greater public trust in recent years through more honest reporting, and the public's journalistic expectations have risen—a development that we believe would raise the political cost to the government of an attempt to reverse course and restrict press freedom.

We believe straighter news reporting by the national press is the result of a conscious official effort to change the public's view that the government is likely to conceal facts on sensitive issues. Establishment papers give their readers more information and do less covering up for the government. When central security forces rebelled in February 1986, for example, Mubarak gave the press free rein to report the situation accurately and extensively. All government-supported papers and magazines provided unprecedented coverage as events unfolded. We believe that

continued openness with the facts has undercut the opposition's ability to exploit an information-poor environment with sensationalism.

Under Mubarak, the establishment press is becoming increasingly independent of government control. The national papers are no longer subject to the overt censorship of the Nasser era nor the regular "guidance" sessions that Sadat held for editors. Editors are free to use their own judgment but know how far they can go. Editorials in establishment papers, although generally supportive of official policy, often take positions not in line with government views:

- A spate of national media attacks against Israel in 1987 presented a much harsher stance than that of the government. According to the US Embassy, Minister of Information Safwat al-Sharif cited freedom of the press as the reason for this disharmony.
- Press coverage of the revelations of the US transfer of arms to Iran also demonstrated the independence of establishment editorials. The Embassy reports that the national papers were extremely critical of the United States—implying that it was in collusion with Israel to undermine the moderate Arab camp—but there was no evidence that this criticism

25X1



Figure 4. Opposition endorsement of Egyptian democracy. Woman representing Egypt says to Mubarak: "It's not more military forces that will protect me, it's more democracy."

was the result of a government directive. The official government position was much more reserved. It criticized the United States for poor judgment rather than malicious intent.

We believe that Mubarak's liberalization has strengthened and diversified the opposition media. Under Sadat, opposition papers often were confiscated and critics sometimes jailed or banned from writing. Now, sharp criticism of the government and its policies is tolerated and opposition papers given broader license as the mouthpieces of legal political parties. Press coverage of the arrests of Islamic

extremists, alleged election rigging, corruption charges, and other sensitive issues has not been censored. Opposition papers have even criticized Mubarak—recently an opposition leader attacked Mubarak on the extension of the emergency law. (This criticism, in keeping with the traditional reverence for the "pharaoh," has been limited and indirect, according to the US Embassy.)

#### **Retaining Control: Limits to Liberalization**

Despite these achievements, doubts remain about how far Mubarak will go toward greater liberalization and what additional political reforms he will make.

Mubarak has retained multiple safeguards in the system to protect his executive power and ability to maintain public order. Although he is committed to continuing reform, he will guard against compromising this protection.

Egypt's Participatory Institutions. Although Mubarak has allowed a greater diversity of representatives in key participatory institutions, the powers of these institutions remain carefully circumscribed. Popular participation often, in effect, serves as a tool of the government.

The People's Assembly continues to function largely as a rubberstamp for approving the executive's policies and budgets. During the Nasser and Sadat eras, a pattern of subservience to the President was set and the Assembly failed to develop the powers the Constitution gave it. The President's constitutional powers ensure that the People's Assembly is weak relative to the executive, and the predominant authority of the speaker—nominated by the ruling party—further strengthens the government's hand. Despite greater representation and the increasing incidence of challenges by members to government policies, the government retains control through its comfortable majority.

The ruling-party-dominated Shura Council (consultative assembly) lacks significant powers and functions primarily as an advisory body. Membership is viewed as a reward for past achievement rather than a means

25X1

25X1

25X1

25X1

25X1

25X1

#### The Powers of Egypt's Participatory Institutions

#### The People's Assembly:

- Nominates a candidate for president.
- Proposes, discusses, and approves bills.
- Approves the general budget of the state.
- Approves the general policy of the state.
- Approves the general plan of economic and social development.
- May cast a vote of nonconfidence in the Prime Minister and Cabinet.

#### The Shura Council:

- Is consulted and gives its opinion on laws that amend or complement the Constitution, the general plan of economic and social development, peace treaties and alliances, and laws referred by the President.
- Studies and proposes policies to preserve the principles of the revolutions of July 1952 and May 1971 and to consolidate national unity and social security.
- Exercises ownership rights over the national press and selects the chairmen and board members of press organizations.
- Through the Party Affairs Committee, approves applications for the formation of political parties.

#### The Local People's Councils:

- Submit ideas and plans for local projects to governor/executive council and central government.
- Draft budgets and set priorities for the allocation of funds.
- Oversee implementation of community projects and programs.

of influence. The council functions more as a branch of the executive than as a representative institution—advising the government on proposed legislation, helping maintain control over the media through the High Press Council, and approving the formation of new political parties.

Local elected councils participate in the street-level administration of central government policy but lack the power to constitute genuine local government. Although the councils have a voice in planning projects and setting priorities for the allocation of funds, their lack of authority to tax means that they are almost powerless.

The National Democratic Party (NDP). Although examples of limits on participatory democracy built into the Egyptian political system abound, the NDP is probably the most pervasive instrument of control. Established by Sadat in 1978 to operate under his personal leadership, the NDP was intended to be the centerpiece of a multiparty system in which opposition groups were barely tolerated and given little room for maneuver. The NDP appears to be much less a ruling party in the Western sense than a loose organization of disparate elements held together mainly by presidential leadership. In effect, the party's main function is to win elections and to ensure that it has a sufficient majority in the People's Assembly—at least two-thirds—to nominate the President for election.

Laws governing the political system remain heavily skewed in the NDP's favor to ensure that the party maintains its large majority in the Assembly. The election law favors the NDP by requiring that a party gain at least 8 percent of the national vote to be seated in the Assembly, regardless of the number of individual constituencies it wins. This party list system effectively deprives Egypt's smaller parties of representation. "Independent" candidates have been admitted once again to the Assembly—one for each of Egypt's 48 constituencies—but most of them come from the NDP. The US Embassy reports that Mubarak wants to amend the election law—again under pressure from the judiciary and the opposition parties—to cancel the 8-percent rule and return to an

<sup>1</sup> The President is not directly elected by the people. Following nomination of a single candidate by the People's Assembly, actual "election" consists only of a popular referendum to either approve or disapprove the candidate.

25X1

25X1

25X1

25X1

25X1

# Composition and Electoral Systems of Egypt's Participatory Institution

#### The People's Assembly

Membership. There are 458 seats in the People's Assembly—448 seats for elected members and 10 seats for presidential appointees. Half of the elected membership must be workers and farmers, according to the Constitution. The ruling National Democratic Party won 358 of the Assembly seats in the election in April 1987. They include those members who ran on the party lists, those who ran as independents, and 10 presidential appointees. Of the 100 seats obtained by the opposition, the Labor-Liberal Alliance holds 56 seats—about 36 of them occupied by Muslim Brotherhood members. The New Wafd Party also has 36 seats, and independents have 8.

Electoral Procedure. People's Assembly elections are conducted under a system of party lists. Egyptian law requires that a party win at least 8 percent of the votes nationwide in order to qualify for representation in the Assembly. Seats in each constituency are allocated to political parties in proportion to the number of votes they gain. There is one seat reserved for independents in each of the 48 constituencies. Assembly elections are held every five years or within 60 days after dissolution of the Assembly. There are byelections to fill vacancies.

#### The Shura Council

Membership. The Shura Council has 210 members, of which two-thirds are elected and one-third appointed by the President. The Constitution states that half of the elected members must be workers and farmers.

The National Democratic Party holds most of the 140 elected seats and a majority of the 70 appointed seats. The President has appointed a few members of the opposition parties to the Council.

Electoral Procedure. Shura Council members are elected under a "winner-take-all" system of party lists. There is a minimum vote requirement: a party must gain at least 5 percent of the nationwide vote to qualify for a seat. The party that obtains an absolute majority of the votes in a given governorate wins all the seats for that constituency. Under this system, no independents may run. The term of the Shura Council is six years, but half the membership is elected every three years.

#### The Local Councils

Membership. On all three levels of local government—village, district, and governorate—the local people's council consists of 18 members. Half of the members must be workers and farmers. All the council members represent the National Democratic Party.

Electoral Procedure. The electoral system for local councils is a "winner-take-all," absolute party list system. The party list winning an absolute majority of the votes nationwide wins the elected seats at the local level. Like the Shura Council, this system does not allow for independent candidates. The term of office for local council members is five years.

individual candidate system. If he succeeds, we expect the government to seek other means of safeguarding its majority.

The NDP has other strengths that help it maintain a dominant position. The party's advantages include a monopoly on patronage, access to government resources, and media coverage. Individual NDP members derive political strength from real or perceived

connections with the President—with professional competence a secondary consideration—and from the party's superior funding, organization, and government support. None of the smaller opposition parties can compete with the NDP in catering to local interests in such areas as schooling, water resources,

25X1

25X1

25X1

25X1

25X1

25X1

25X1

7

road paving, sewerage, and electricity. Egyptians acknowledge that the party provides tangible benefits and cast their votes accordingly. The NDP also benefits from being a centrist party in a country that dislikes extremism. Egyptians have an ingrained tendency to vote for the party in power.

the NDP is viewed as less of an evil than fanatical rightwing or leftwing parties.

Internal Security Controls. Mubarak has retained considerable power as a hedge against violence. The emergency law invoked after Sadat's assassination has been kept on the books through repeated extensions—most recently in March 1988 for a three-year period—decreed by Mubarak and approved by the NDP majority in the People's Assembly. The law grants the executive extraordinary powers to supersede the usual arrest and detention procedures normally provided by law. Under the emergency law, either the President or his delegate, the Minister of Interior, can suspend constitutional and legal safeguards usually associated with the protection of civil and political liberties when they believe security and public order are in peril.

In recent years the emergency law has been used primarily against radical Islamic fundamentalists. Several thousand were detained in spring 1987 after three separate assassination attempts against former Egyptian officials. The law also has been used against

### The Emergency Law

The Constitution and the Emergency Law of 1958, as amended, empower the President to invoke emergency powers when security and public order are in peril. These powers authorize the arrest and detention of persons suspected of being dangerous to state security, irrespective of the provisions of the penal code. Under the emergency law, a person may be held without charge or due process for two renewable 30day periods. The detainee is allowed to petition the state security courts for release after the first 30-day period, but the President or the Minister of Interior, acting as the President's deputy, may veto the decision and keep the detainee in custody for another 30 days. After the second 30-day interval, the executive must accept a ruling to release the suspect. The Minister of Interior, however, may order the suspect's rearrest, thus allowing the government the right of indefinite detention of suspects through use of the emergency legislation.

extreme leftists. In September 1987 the government used the emergency law to impose a ban on news reporting about the investigation into the "Egypt's Revolution Organization"—a group accused of responsibility for several shooting attacks on US and Israeli diplomats. In addition, the law has been used for economic reasons. After Egypt's pound was devalued against the dollar in May 1987, the government arrested several hundred drugpushers and currency dealers on charges of accelerating the pound's decline through black-market speculation.

Despite government attempts to use the emergency law sparingly, it remains a source of considerable controversy. Opposition parties both of the left and the right argue with some justification that the law's survival is inconsistent with Mubarak's liberalization agenda.

25X1 25X1

25X1

25X1

25X1

25X1

25X1

Interior Minister Zaki Badr		
Interior Minister Zaki Badr—a tough, unpopular, no-nonsense former policeman—was elevated to his current position after the police riots in February 1986. Badr  is the leading advocate in Munorark's administration for a hard line against padical	Complaints about Badr from other Cabinet ministers have become commonplace. According to the US. Embassy in Cairo, they have criticized Badr's impolite behavior in the People's Assembly: he regularly insults members during Assembly interpolations.	
barak's administration for a hard line against radical fundamentalists.  Badr believes his orders are to exert	Even so, Mubarak is unlikely to dismiss Badr as long	
"unremitting pressure" against radical fundamenta ists to prevent the kind of conspiracy that brought about Sadat's assassination. He has followed these orders with considerable zeal, responding to such incidents as the attempted assassinations in spring	as he is convinced that Egypt needs an iron hand to deal with the fundamentalist threat.  Mubarak appears pleased with Badr's performance. He is useful as a lightning rod for discontent and as a potential scape-	
1987 with mass arrests and interrogations of known fundamentalist activists.	goat should Mubarak need one. For the near term at least, Mubarak's insistence that dissent must be dealt with strictly within the law will probably ensure that Badr does not become a political liability.	;
		2
In his war against violent extremism, Mubarak relies on the state security apparatus, particularly those components under the Ministry of Interior headed by	Administrative control over the Central Security Force (CSF)—the largest unit of the National Police and its principal riot control instrument—has been	
sough, ruthless Zaki Badr. The Interior Ministry's General Directorate for State Security Investigations is responsible for monitoring the activities of individuals and groups believed to be subversive. It conducts investigations and interrogations of suspects. The National Police, the action arm of the Interior Minis-	tightened since elements of the CSF mutinied in 1986.	2

Although we believe Mubarak's appointment of Zaki Badr and subsequent improvements in the CSF have strengthened the Interior Ministry's ability to fight extremism, the government ultimately relies on the Army as the guarantor of public security. For example, the regime was forced to call upon the Army to restore order during the CSF riots in 1986. According to the Embassy, although reforms have been made in the CSF—a drastic reduction in force and improvements in service conditions—morale remains low, and its discipline and loyalty have not been tested in recent months against major street demonstrations.

Despite the relative freedom accorded the media, Mubarak has retained significant controls over the press to ensure that it does not become too independent and a threat to stability. The Shura Council owns the national press in the name of the people. Its High Press Council appoints and can dismiss the editors in chief and board members of the national newspapers and magazines. Although no papers have been shut down, the Council's ability to approve applications for new publications has occasionally been used to delay or reject petitions from independent or opposition groups to start regular publication. According to the US Embassy in Cairo, all opposition papers are published on state-owned presses, which allows the government to set circulation limits. Mubarak also occasionally gives "guidance" to establishment editors on the treatment of specific issues. For example, when Defense Minister Abu Ghazala was in the United States in December 1986 seeking military debt relief, the national media was instructed to soften its criticism of Israel and emphasize the positive aspects of the Egyptian-Israeli relationship.

#### Stability and Democracy: Tough Choices

We believe that reconciling the need to ensure stability with his commitment to further political liberalization is Mubarak's most daunting challenge as he seeks to change longstanding Egyptian practices and expectations. There are several key variables Mubarak must consider



Figure 5. Opposition commentary on government press restrictions. Interior Minister Zaki Badr is saying to journalist: "There is a lot of freedom ... you can eat ... you can drink ... you can sleep and even snore."

Economic and Social Tensions. We believe economic grievances hold more potential for generating domestic unrest—and undermining political liberalization—than any other issue. Over the past three decades, Egyptians have come to regard the government's generous system of subsidies on food and other necessities as entitlement. We believe Mubarak's call for broader participation in government is in part a device to permit renegotiation of this "social contract,"

25X1

25X1

25X1

25X1

which Egypt can no longer afford to maintain. Instead of openly approaching the Egyptian people on this issue, however, Mubarak has sought to increase prices surreptitiously, fueling popular suspicions of government intentions. At the same time, he has dragged his feet on implementing economic reforms mandated by the International Monetary Fund under the terms of a standby agreement negotiated last year for fear of touching off a social and political explosion. We believe his reluctance will forestall Egypt's return to economic health.

Meanwhile, inflation has become a hot political issue. Complaints about rising prices are mounting, particularly among lower-middle-class government and public-sector workers on fixed incomes who face a real decline in their standard of living. Many are holding down two and sometimes three jobs to make ends meet, according to Embassy reporting. In recent years the government used subsidies to hold inflation at 15 to 25 percent. Price increases of 50 percent or more, however, are becoming commonplace. The Embassy also notes that many necessities are becoming impossible to find in government outlets, forcing consumers to buy from private shops at higher prices. Other popular expectations are being cut. Cairo's guarantee of government jobs for recent university graduates, for example, is being phased out, and unemployment will increase as a result.

Official concerns about the economy are intensified by fears of increased opposition activity against the government, particularly by Islamic fundamentalists. Although the Islamic fundamentalist movement in Egypt is diverse and lacks broadly accepted leadership, individual groups tend to be disciplined, well-organized, and eager to exploit popular grievances against the government. For example, a fundamentalist group calling itself "Survivors From Hell" engineered three assassination attempts against former Egyptian officials last spring and eluded intensive efforts by the security services for several months to capture them.

Events outside the country—and beyond Mubarak's control— also affect Mubarak's political liberalization program to the extent they undermine or reinforce domestic stability. Israeli-Palestinian clashes in the occupied territories have again made relations with Tel Aviv a focus of protest in Egypt, especially on campuses and in the mosques. So far, sympathetic disturbances in Egypt have been controlled, but government officials fear that pro-Palestinian demonstrations could serve as a catalyst for more widespread unrest fueled by economic grievances. On the other hand, steadily improving ties between Egypt and the moderate Arab states—formally restored last November—will boost Mubarak's political confidence at home, particularly if accompanied by financial aid.

Risks of Repression. To preserve stability as he introduces new freedoms and implements economic reform, Mubarak has relied on a flexible, carrot-and-stick approach to deal with dissidents that is proving moderately successful. He balances his use of the powers granted to him under the emergency law to forcefully suppress violence-prone political extremists of both the left and the right with accommodation to co-opt more moderate opposition elements.

In our view, Mubarak favors a mix of repression and incentives in dealing with dissidents both to protect his image as a democrat and to avoid Sadat's fate at the hands of religious fanatics reacting to a crackdown on their activities. Examples of the government's more accommodating policies include:

- Allowing the technically illegal Muslim Brother-hood to participate in the 1987 People's Assembly election in alliance with two legal parties.
- Fostering an open dialogue between the government-supported Islamic establishment and fundamentalist groups.

25X1

25X1

25X1

25X1

25X1

11



Figure 6. Mubarak casting ballot.

• Permitting some forms of Islamic dress and behavior as personal expressions of piety. University officials, for example, tolerate and sometimes encourage women to wear the fashionable hegab (a scarf covering the hair), although the government may appeal a recent court verdict permitting students to wear the full veil, which often has radical political connotations.

On the repressive side, the government's roundup of students in connection with the assassination attempts in the spring of 1987 and its stern response to student demonstrations in January 1988 in support of the Palestinian uprising in Israel's occupied territories serve as reminders that regime tolerance of dissent is limited.

Dangers of Voter Apathy. We believe that stimulating voter interest in the political process beyond the local level is one of Mubarak's toughest challenges as he seeks to broaden political participation. Although Egypt lacks credible public opinion polling, knowledgeable observers agree that, apart from a few politically active individuals, the broad mass of Egyptians is ambivalent toward, and even skeptical of, participatory government as it has evolved. Egyptians are accustomed to a system of highly centralized rule by an authoritarian figure in which the common man neither has, nor expects to have, significant input. Poor Egyptians traditionally look to the government

to provide them with basic necessities and to help solve their problems, but US Embassy reporting suggests they have no serious expectation that they can influence the process through political involvement.

We believe that poor voter turnout in Egyptian elections is symptomatic of the absence of a strong consensus favoring greater political participation within the existing institutional framework. According to a study conducted by a researcher at Ein Shams University, 75 percent of Egyptian voters do not believe their participation in elections has any value. Turnout figures for the Shura Council election last year (82 percent) and for Mubarak's reelection referendum in October 1987 (88 percent) were dramatically inflated for public consumption by the Interior Ministry, according to the US Embassy.

The lack of interest in national political activity is particularly striking among Egyptian youth. As reported by the weekly *October* in March 1987, results of a study conducted by the Shura Council showed that 92 percent of young Egyptians do not belong to a political party, and only 30 percent of Cairo University students participate in student union elections or any political activity. We believe that the apathy of the majority could have ominous implications for Egypt's political future if it leaves a clear field for small but active Islamic groups, which effectively mobilize their membership to vote and which for several years have swept the national student council elections.

Finally, the traditional patronage system persists despite steady progress on reforms. Power and influence relationships are deeply personalized, from the President down to the peasant. Leading members of the government acquire power, not because of their positions in the ruling party or political competence, but because of their contacts in the overall establishment and their personal standing with the President, according to US Embassy reporting. Advancement depends not on local support, but on how well the

25**X**1

25**X**1

25X1

25**X**1

25X1

25X1

Secret

12

official impresses the President and members of his inner circle. Respect for influence—and cultivation of		25X1
those who have it—is evident throughout Egyptian society. The pursuit of influence helps maintain the status quo by encouraging Egyptians to back whatever authority or party is in power because they alone have the patronage and other tangible benefits to	According to US Embassy reporting, an expected reconstitution of the party Politburo should provide Mubarak an opportunity to replace older functionaries in administrative and managerial posts with younger members who can	25X1
Benefits of Additional Reforms. Reforms that reduce	offer innovative approaches to solving national prob- lems. Another step he might take would be a return to a system of individual candidacies in elections that	25 <b>X</b> 1
central government control over political activity will probably support increased political participation if they are given a chance to work. The large turnout for	would scrap the party lists and deprive the NDP of a major advantage.	25 <b>X</b> 1
the more intensely contested People's Assembly election last spring—compared with the Shura election and presidential referendum—demonstrates that Egyptians will vote in greater numbers when they are	Outlook The forces likely to work against significant liberal- ization of the Egyptian political system are formidable:	
these recent elections have focused the attention of Mubarak and his party on cultivating and exploiting the constituent-based appeal of local political talent. This has fueled debate over the amount of decentralized authority to be incorporated in a new local	• Liberalization in any form undercuts Egypt's ancient tradition of authoritarian, centralized rule—a key element in domestic stability—and challenges both the instincts and the deeply rooted interests of many in the political and administrative regime.	25X1 25X1
government law that we expect to be passed this year. If the new law increases the political authority of local councils—particularly on tax issues—it could have far-reaching implications for the growth of grassroots democracy in Egypt.  A parallel debate taking place within the ruling NDP	<ul> <li>Any liberalizing step will require at least the tacit approval of the Egyptian military which, though largely hidden, remains the final arbiter of power. "Liberalization" involving steps toward a significant civilian control over the military remains a highly unlikely prospect.</li> </ul>	25X1
could reinforce this trend. Party officials are deliberating whether the NDP should continue as a disciplined top-down machine of central government control or evolve into a more unruly, grassroots organization for translating popular desires into national policy. There are growing indications that some party members recognize the NDP can no longer take its Assembly majority for granted. Many NDP candidates had to campaign hard for reelection last year. In addition, the almost doubled opposition presence over the previous Assembly has fueled unprecedented de-	• The lack of consensus in Egypt on what kind of system to build will slow progress and leave the fundamentally cautious Mubarak to take the initiative. Balancing competing economic and political priorities as he seeks to control change may prove beyond Mubarak's leadership and political skills. A sharp outbreak of unrest over bread-and-butter issues—even if quickly contained—would convince Mubarak to delay efforts at political reform, in our judgment.	
bate on national issues and forced NDP deputies to do their homework.  We believe Mubarak intends to introduce additional	• Ultimately, Mubarak's willingness to further liberalize the political system will depend heavily on his own confidence in Egyptian stability. Faced with a	25X1
political reforms that will force the NDP to earn more of its political clout.		25 <b>X</b> 1

13

deteriorating economy, mounting complaints about inflation, increased political tension surrounding the Israeli-Palestinian issue and other regional developments, and increasing international pressure to implement potentially destabilizing economic reforms, Mubarak may decide the political risks of further liberalization are too great.

Despite these forces working against political reform, we believe Mubarak's apparently genuine commitment to liberalizing the Egyptian political system is likely to propel halting, qualified, but still significant change:

- Unless forced to retreat by threats to the regime, Mubarak is unlikely to abandon his efforts to expand participation as a means of releasing and channeling popular discontent—the "safety-valve" concept.
- As rising demands on state services make sustaining the "social contract" increasingly unaffordable, Mubarak, in our view, will prefer to help change Egyptian popular expectations of what government can deliver through expanded participation instead of opting for the more undesirable alternative of increasing repression.
- At least some decentralization of administrative authority or revitalization of the political party structure may appear increasingly attractive as a means of spreading the blame for shortfalls in government services or unpopular decisions.

At a minimum, we believe Mubarak will maintain his tolerant approach to dissent for at least the near term to strengthen Egyptian democracy. We expect that he will urge restraint by the security services while insisting on preservation of domestic stability. A debate among the President's top advisers is almost certain to continue over where to strike the balance between co-optation and repression, and hardliners like Zaki Badr will continue urging Mubarak to take a tougher line. But unleashing Badr with his penchant

for heavyhandedness almost certainly would prove counterproductive—possibly setting off an upward spiral of popular backlash and increased repression, with serious implications for stability

#### Implications for the United States

Progress toward political liberalization in Egypt is likely to prove a mixed blessing for the United States. Greater democracy will support US interests to the extent it reinforces stability and boosts Mubarak's political confidence and legitimacy. In other respects, however, Mubarak's democratization program entails risks for Washington whether it succeeds or not. We believe Cairo will probably use political liberalization to pry increased aid from the United States as the price of progress toward democracy. Anything less than an increase would risk disappointing Egyptian expectations and probably strain bilateral relations. Alternatively, the United States would be a handy scapegoat for Mubarak to blame if civil unrest forced him to curtail some liberties.

Greater freedom of expression in Egypt could work against US interests if a sustained campaign of media criticism led to a popular backlash against Washington. The United States is closely identified in Egyptian minds with such unpopular issues as economic reform and Egypt's maintenance of cordial relations with Israel in the face of violence in the occupied territories. Egyptian frustration with perceived US pressure on Cairo to support unpopular US policies coupled with the Egyptian penchant for blaming outsiders for domestic problems—has in the past encouraged harsh press criticism of the United States, which Cairo claims it cannot stifle when promoting freedom of expression. We believe that similar press campaigns attacking Tel Aviv-such as in response to the recent Israeli-Palestinian clashes—encourage Israeli intransigence and undercut Egypt's ability to play a helpful role on peace issues.

25X1

25X1

25**X**1

25X1

25X1

# Appendix

## Major Newspapers and Periodicals

	Editor in Chief	Circulation a	Comment
Establishment		-	
Dailies			
Al-Ahram (The Pyramids)			Egypt's paper of record most comprehensive reporting on the widest range of subjects editorially reaches out to both left and right geared to intellectuals.
Al-Akhbar (The News)	Said Sonbol	400,000	Emphasis on domestic news flashy layouts human interest angles appeals to ordinary people editorially closer to official line.
Al Akhbar Al-Yom (Today's News)	Ibrahim Saada	750,000	Weekend edition of Al-Akhbar strong on human interest material crime stories consumer affairs back page devoted to political views of an outside journalist.
Al-Gomhouriya (The Republic)	Mahfuz al-Ansary	250,000	Plagued by managerial disputes bad quality of news coverage and presentation sports coverage is strong point slightly leftist.
Al Messa (The Evening)	Samir Rageb	NA	Al-Gomhouriya's sister afternoon paper editorial line strongly on right.
Weeklies			
Uktubar (October)	Muhammad Salah Muntasir	70,000	Widely read and influential pictorial magazine deals with many subjects.
Akher Saa (Last Minute)	Wagdi Kendil	70,000	Popular pictorial covers many topics.
Al-Musawwar (The Illustrated)	Makram Muhammad Ahmad	35,000	Oldest political and social pictorial magazine retains a strong readership in the Arab world.
Rose al-Yousef	Abd al-Aziz Khamis	13,000	Social and political commentary geared to intellectuals traditionally oriented to the left very defamatory tone.
Sabah al-Khair (Good Morning)	Louis Grace	10,000	Geared to young people social and political content presented in light and upbeat format.
Mayo (May)	Nabil Abaza	18,000	Not a government-supported paper weekly of the ruling National Democratic Party attracts few readers outside the ranks of party activists.
Opposition			
Daily			
Al-Wafd (The Delegation)	Mustafa Sherdy	400,000	Voice of right-of-center New Wafd Party favors political and economic liberalization human rights issues occasional inaccurate articles critical of the United States.

### Major Newspapers and Periodicals (continued)

	Editor in Chief	Circulation a	Comment	
Opposition (continued)				
Weeklies				
Al-Ahrar (The Liberals)	Wahid Ghazi	8,000	Rightist paper of Liberal Party muckraking journal with strong religious overlay advocates private enterprise attacks Egypt's relationship with Israel and the United States.	
Al-Shaab (The People)	Adel Hussein	30,000	Moderate left paper of Social Labor Party strongly Pan-Arab Islamic fundamentalist editorial line stronger since alliance of Labor Party with Muslim Brotherhood in 1987 opposes Camp David accords.	
Al-Ahali (The Native Masses)	Hussayn Abd al-Razeq	30,000	Leftist paper backed by the National Progressive Unionist Grouping skillful at promoting Marxist views good coverage of Egyptian labor movement frequently attacks the United States.	
Sawt al-Arab (Voice of the Arabs)	Abd al-Azim Manaf	3,000	Nasserite extremely sensationalist most hostile of any paper toward the United States and Israel.	
Religious				
Al-Lewa al-Islami (The Islamic Standard)	Ahmed Zein	35,000	Islamic weekly sponsored by the NDP conservative and never extremist supports gradual application of Islamic law.	
Al-Nur (The Light)	Al-Hamza Da'Bas	20,000	Islamic paper of the Liberal Party rigidly advocates the total application of Islamic law.	

<sup>&</sup>lt;sup>a</sup> Circulation figures are not authoritative. They may be greatly understated or exaggerated because Egyptians tend to share one copy of a newspaper among many readers.

25X1

	Part - Sanitized Copy Approved for I	Garage Constant			च्छ र के (केंद्र	
,					, ,	
		,				
		•				
. <u>.</u>						
	•		٥			
				•		)) (j)
	•					Ì.
						ď,
				, a		
•		° a				•
				•		
	,					
		a				
				*	<i>a</i> .	
					,	
			•		А	
	·			ō		
•						
		g				P.
						•
				•		
	0	а			,•	
Secret		,			•	
Secret		•				

Declassified in Part - Sanitized Copy Approved for Release 2012/10/15 : CIA-RDP89S01450R000300260001-6